



**New
England
Livery
Association**

A unified voice for the livery industry of New England

Friday, February 20, 2009

The Honorable Donald J. DeFronzo and the Honorable Antonio Guerrera
Co-Chairs of the CT Transportation Committee.

The Honorable John A. Kissel and the Honorable Mary M. Mushinsky
Co-Chairs of the CT Program Review and Investigations Committee

Re: Opposition to Bill # 902, The Safety of Taxicabs and Livery Vehicles
Opposition to Bill # 903, The Economic Regulation of Taxicabs and Livery Vehicles

Madam Chairwoman, Messrs. Chairmen, and Members of the Committees:

Thank you for the opportunity for the New England Livery Association to testify in opposition to Bill #902 and Bill #903. The main point we would like to make to the Committees, is that we feel that changes that would affect the Limousine and Livery Industry, should not be added into legislation that was specifically designed to change rules regarding the Taxi Industry. The review committee was truly established to research the problems inherent in the Taxi Industry in Connecticut, and the Limousine and Livery Industry has been brought into this review and added to new legislation simply by default. We feel that there should be a distinct delineation created between the Taxi Industry, and the Limousine and Livery Industry. The review and recommendations that were made by Dr. Kluger and her committee clearly pointed out that this should be the case. Rules should be written which would be representative of the Limousine and Livery Industry in the twenty-first century. We have been working with the Bureau of Public Transportation of the DOT to create such rules, for several years. As an industry we feel that any language in the proposed legislation should strike all verbiage regarding Livery and make these bills specifically for the industry that the original review was designed for, the Taxi Industry in Connecticut.

The Legislative Committee of our association has been working with representatives of the DOT for years to come up with rules and regulations that make sense for the industry, not the current rules that we are operating under which were developed in the sixties. This particular problem was also outlined in Dr. Kluger's findings. We would like the opportunity of time given to us by your Committees to advance those discussions and present rules that would be comprehensive and fair for the Limousine and Livery Industry, the State and the Department that currently has the oversight. Much of the language that is currently being proposed is quite one-sided. In fact, some of the language could be found to be quite discriminatory, specifically the fact that in the taxi language the licensing program brings a fee of \$200

PO Box 842, Durham, NH 03824

Voice: 866.736.6352 / Fax: 866.616.6352

Web: www.nelivery.org / Email: info@nelivery.org

dollars per vehicle, while the language in the Livery section brings a fee of \$400 per vehicle for essentially the same process. We are not sure how this fee structure was determined. We agree that the current organization according to Dr. Kluger's findings is understaffed and underfunded. We do however feel that with the proper redesign of the rules, this company-ending legislation will not be needed, at a time when small businesses are struggling just to make ends meet. Below are a few bullet points from our association's Regulatory Committee that outline some of its concerns. Again we recommend two things initially. First, that the language regarding Livery be removed from these bills, and second we are given time to work with DOT to come up with rules and a fee structure for the State that make good business sense for all concerned. Thank you for your time and the opportunity to be heard.

1. The State and the DOT need to separate the Limousine and Livery industry from the Taxi Industry. Perhaps the best example of why this needs to be done, is that unlike the Taxi Industry, there has not been one CT livery company that has been involved in an accident due to faulty or unsafe. The Taxi Industry has had problems with both a high rate of unsafe vehicles as well as problems with criminal assaults on riders and drunken driving accidents.

2. We strongly oppose the annual fee of \$400.00 per car due to the following reasons. First, in this economy this fee will hurt an industry, which is already feeling the pain of a significant reduction in business. This fee will cause operators to defer funds from the programs that will add new CT jobs, to this new fee imposed by the State. It is our position that the shortfalls in staffing at the regulatory agencies is due to the decisions of the State in past years simply to not properly fund it's agencies and therefore creating the void in enforcement that exists today.

3.) The current state of enforcement is focused solely on the licensed operator, while the current DOT has no power of enforcement with regard to the gypsy operators that plague our legitimate operators. Currently, DOT can only impose civil penalties against licensed operators. We feel that the biggest problem threatening our companies and the jobs we create and safety of the riding public are the unlicensed operators who do business without proper liability insurance, without paying payroll and unemployment taxes to the state, and without providing workers comp insurance. These operators should be easy to identify since we know in advance where they are going to be. They will be at Bradley airport, they will be at the train stations in New Haven and Stamford, and they will be at all the prom venues each spring. Wouldn't it be a much more effective approach to use the recourses of our State to prosecute these unlicensed gypsy operators and raise revenue through fines rather than penalize the industry with additional fees that as a State you have failed to serve as illustrate in Dr. Kluger's report?

4.) The differences between Taxi and Livery are vast. The Limousine and Livery Industry does not pick up street fares. Everything we do is by advance reservation. Our vehicles are held to a higher standard simply by our customer's demands, and lumping us in with the Taxi Industry and asking us to subsidize the inspection process is simply not fair. The problem within the Taxi Industry was created by the State cutbacks on enforcement and inspections and we should not be penalized because of these changes.

Respectfully,

The New England Livery Association

PO Box 842, Durham, NH 03824
Voice: 866.736.6352 / Fax: 866.616.6352
Web: www.nelivery.org / Email: info@nelivery.org